

The Board of Supervisors of Maricopa County, Arizona convened at 9:00 a.m., February 28, 2002, in the Board of Supervisors' Conference Room, 10th Floor, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Chairman; Fulton Brock, Vice Chairman; Andy Kunasek, Max W. Wilson, Mary Rose Wilcox, Fran McCarroll, Clerk of the Board; and Connie Copeland, Administrative Coordinator. Also present: David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney. Votes of the Members will be recorded as follows: (aye-no-absent-abstain).

PRESENTATION AND DISCUSSION: RESULTS INITIATIVE REQUESTS (RIR'S) SUBMITTED BY DEPARTMENTS FOR FUNDING IN THE FY 2002-2003 BUDGET

Item: Presentation and discussion of Results Initiative Requests (RIR's) that have been submitted by departments for funding in the FY 2002-2003 budget. According to the Budgeting for Results Priorities for FY 2002-2003 (approved by the Board on January 14, 2002), departments requesting additional funding must present their critical or emergency requests. (C49020418) (ADM 1825)

Sandi Wilson, Deputy Administrative Officer, recounted that the Board directed departments to submit only critical and emergency items for funding. She explained that the County would not have enough money to fund all requests. Chris Bradley, Budget Manager, reported that the base operating shortfall imbalance in the General Fund is \$22.9 million. He emphasized that the new net revenue increase beginning FY 2002 of \$7.1 million is smaller than the County has experienced since the 1994 fiscal crisis.

Ms. Wilson explained that the property tax increase of \$18.9 million is offset by a decrease of \$19 million from the State shared sales tax revenue. This includes the four-percent of shared State revenue that the State may withdraw from large counties and cities. Ms. Wilson highlighted expenditures especially \$4.9 million in Health and Dental Premiums and a \$3 million net increase in Election Services for this year. Expenditure adjustments totaled \$30 million.

Ms. Wilson also reported that a preliminary Deloitte Touche analysis on MIHS has reported larger than expected operating losses. Other issues that may impact MIHS are possible State reductions for Graduate Medical Education and the State Emergency Services Program of approximately \$4 million. The County could also face a reduction for State funding of criminal justice programs particularly in the Adult Probation area and the Fill the Gap Program. Ms. Wilson explained that the State might also transfer to the County jail approximately 600 inmates currently serving less than two-year terms.

Ms. Wilson presented options to make up the \$22.9 million shortfall: reduce base expenditures, eliminate or reduce services, or raise revenues. OMB recommended the Board fund Results Initiative Requests associated with opening and operating new facilities, critical programs facing State funding reductions such as the Fill the Gap program, and funding requested related to the Medical Center.

In response to a question from Supervisor Brock, Ms. Wilson explained the County was going out to bid on Health and Dental Premiums; the County is expecting a thirty-percent premium increase. She explained that employees would also be absorbing some of the premium increase, and the County budget does not include employee raises this year. This will mean a reduction of income for County employees. Ms. Wilson noted that at a later date OMB may ask the Board to consider absorbing the employee share of health premiums.

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Ms. Wilson described the Jail Excise Tax Maintenance of Effort expenditure as a \$9.8 million increase from the Jail Tax obligation. This is a formula-driven expense. It will fund operational increases in the detention fund for the Sheriff's Office, Juvenile Probation, Correctional Health, and some expenses of the Integrated Criminal Justice System. This cost is expected to increase each year and is a fixed mandate.

Ms. Wilson reported that the ALTCS expenditures are also a formula-driven mandate from the State. The County expects this item to increase each year. The Competency Restoration expenditure is a State mandated program that works to restore competency to accused individuals not competent to stand trial.

Ms. Wilson summarized her report as an overview of the fiscal issues for FY2003. She advised that OMB would present a balanced budget to the Board by the end of the budget process.

Juvenile Probation:

Cheryl Townsend, Chief Juvenile Probation Officer, requested the following funds to provide substance abuse treatment, family counseling, and education for juveniles and their families:

Residential Treatment Facility	\$1,776,841
Residential Treatment Center – Supporting Technology	316,457

In response to questions from Supervisor Wilcox, Ms. Townsend responded that some clients in the program are court-appointed.

Superior Court:

Colin Campbell, Presiding Judge of Superior Court, requested the following for replacement of Fill the Gap program fees, operating expenses for regional court services, and the renovation of the East Court Building:

Fill the Gap Grant Replacement	\$1,044,795
Northeast Regional Facility, plus on-going operating expenses	\$7,000,000
East Court Building Renovation	no amount stated

Clerk of the Board:

Fran McCarroll, Clerk of the Board, requested the following for new mandated responsibilities regarding special districts and tax-deeded land sales:

Administrative Coordinator Position	\$34,629
Operations and Technology	1,587
Capital Expenditures	2,165

MEETING RECESSED

Chairman Stapley declared a five-minute recess at 9:45 a.m.

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MEETING RECONVENED

The Board of Supervisors of Maricopa County, Arizona reconvened at 9:50 a.m., February 28, 2002, in the Board of Supervisors' Conference Room, 10th Floor, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Chairman; Andy Kunasek, Max Wilson, Fran McCarroll, Clerk of the Board; and Connie Copeland, Minutes Coordinator; (Fulton Brock, Vice Chairman, and Mary Rose Wilcox entered later). Also present: David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney.

Clerk of the Court:

Michael Jeanes, Clerk of the Court, requested the following related to staffing the Northwest Regional Facility, adding new judicial officers, funding to cover the one additional day this fiscal year, and a technology update for aging hardware and software:

Backfill Central Court Building Divisions	\$286,755
Northwest Regional Superior Court – three options	
Option one	282,928
Option Two	772,904
Option Three	542,390
Fill the Gap Replacement	450,000 to 500,000
Workers' Compensation and Unemployment Increase	124,139
Desktop Refresh – Technology	110,878
Enterprise Agreement	184,300

~Supervisor Brock and Supervisor Wilcox entered the room~

Supervisor Kunasek asked if the technology expenditure reduces the need for staffing. Mr. Jeanes responded that it would take time before new technology would reduce staffing needs. Supervisor Kunasek directed OMB to report on the efficiencies of regional court centers to determine if there was an advantage to staffing regional facilities if there was no staff reduction in the downtown court.

County Attorney

Rick Romley, Maricopa County Attorney, requested the following:

Restore JY 2001/2002 voluntary Budget Reduction	\$335,677
2088 Hour Work Year	253,559
Probationary Advancements	159,360
Pay for Performance	1,003,294
Additional Staff	219,809
Case Management System	200,000
Software Development Tools	90,000
Increased Software Maintenance	63,700
Sexual Assault Nurse Examiner Contract	90,300

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Nextel Phones	30,000
Flood Control Attorney as requested by Flood Control District	97,509

Supervisor Kunasek asked Mr. Romley for his assistance in lobbying the State legislature on Fill the Gap funding and other County issues. Mr. Romley expressed his appreciation for the difficult job before the Board balancing the County's budget in lieu of the impact of the State's fiscal problems. He emphasized his support and lobbying assistance on County issues. Mr. Romley stated that he believed State funding for the Fill the Gap program would be available this year. Discussion ensued about Arizona Association of Counties (AACO) support of the counties accepting responsibility to fund the Competency Restoration Program in exchange for Jail Tax Revenue. Chairman Stapley explained that the Board was more active with the County Supervisors' Association (CSA). The Board directed the County Government Relations Department to report back to the Board that day on AACO's position on Competency Restoration.

In response to questions from Supervisor Wilcox, Carol McFadden, Executive Chief, Office of the County Attorney, responded that the proposed Nextel phone system was under County contract.

Internal Audit:

Ross Tate, Director, Internal Audit, requested funding for the following items related to co-sourcing MIHS and Information Systems audits and certification of the Managing for Results (MFR) program:

Consulting Co-sourcing	\$370,000
MFR Program Performance Measure Verification	71,000

Maricopa County Schools:

Ben Arredondo, Deputy Superintendent of Schools, expressed Superintendent Sandra Dowling's regrets at not being present at the Board meeting. Ms. Dowling is recovering from surgery and has been ill. Mr. Arredondo requested the following funding for school districts that have not assumed their own accounting responsibility:

Technology Improvement Project for Schools	\$69,500
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In response to questions from Supervisor Kunasek related to local schools processing their own warrants, Mr. Arredondo advised that the County may not charge the schools for these services, but School Administration does charge fees for reconciliations. He added Maricopa County Schools is piloting with some districts to go on their own systems, but it could be years before rural and small school districts are on their own. When asked about continuing costs for maintenance and operations, Mr. Arredondo responded that the estimate was very tentative at this point, but could be between \$300,00 and \$400,000. Supervisor Kunasek stated that it might be time for a legislative change to pass the accounting responsibility to the school districts or to allow for reimbursement costs.

Sheriff's Office:

Dave Hendershott, Chief Deputy, Sheriff's Office, expressed the Sheriff's regrets at not being in attendance. Mr. Hendershott requested the following items for staffing the Central Services Complex:

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Central Services Complex Staffing	\$678,112
Central Services Complex Equipment	1,220,070
FY 03 Reduction of Personnel Vacancy Savings Agency	3,334,354
Salary Adjustments	4,539,303
Central Services Complex Staffing and Equipment	15,193,300
Superior Court Direct Complaints Program	94,053
Records Management System	1,586,961
Inmate Trust Accounting System	92,000
Portable Radios	567,000

Medical Examiner:

Dr. Phillip Keen, Medical Examiner, reported that the new Forensic Science Center would be completed by August. Mr. Keen requested the following funding related to staffing the new facility and for updating exam and lab equipment:

Forensic Science Center New Positions	\$114,215
Forensic Science Center Exam and Lab Equipment	43,650
Forensic Science Center Additional Information Technology Hardware	18,501
Upgrade Case Tracking System	13,474
Medical Examiners' Salaries	49,732
Non-Capital Equipment	20,000

Dr. Keen added that Maricopa County has been a training ground for pathologists who begin their careers in the County Medical Examiner's Office and later move to fill positions around the country.

Criminal Justice Information System Agency:

John Doktor, Director, Integrated Criminal Justice Information System Agency (ICJIS), requested funding for continuation of computer hardware, software, and maintenance. He explained that these were mandated network requirements by the FBI to develop a shared data repository of criminal defendants. In addition, ICJIS requested additional staffing:

Data Integration	\$2,447,789
Required Network Improvements	678,994
Accused-In-Process Index	657,994
ICJIS Management – Temporary Grant Writer	48,375

Mr. Doktor added that ICJIS was also working with the State and looking for Federal Grants to help offset program costs.

Public Health:

Dr. Jonathan Weisbuch, Chief Officer, Health Services, presented funding requests for the following to combat the Syphilis epidemic, treat Tuberculosis cases, and prevent childhood injuries:

STD Control Staffing	\$101,644
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Tuberculosis Control Staffing	101,644
Under-Market/Salary Adjustments	16,305
Childhood Injury Prevention Staffing	43,876

Discussion ensued regarding whether the County was the best resource for child safety seats. Dr. Weisbuch reported that the County receives 1,000 seats from the State and distributes them to those individuals whom other agencies may not reach such as those families under the poverty level.

Facilities Management:

Mr. Norman Hintz, Director, Facilities Management, requested the following funding for operating and maintenance services for new County facilities:

New Space Operating and Maintenance Costs	\$3,449,682
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Mr. Hintz reported the Facilities Management was working with other entities to market some of the parking spaces in the new 7th Avenue parking garage.

Supervisor Board thanked the departments for their presentations and for understanding current economic conditions. Supervisor Wilcox acknowledged that the budget requests were pared down from original requests. Many programs, such as Fill the Gap, are dependent on legislative funding. Supervisor Wilcox asked about the County's budget timeline.

David Smith, County Administrative Officer, responded that the County's goal is for the budget to be ready in May and finalized in June; however, the timeline is subject to legislative action on the State Budget for FY 2003. OMB may need to ask the Board for more time; they will update the Board as more information is available.

Chairman Stapley summarized that the key issue is whether the legislature will cut County funding by four-percent. In addition, the Board must determine which RIR's to fund. He explained that legislative action requires a two-thirds vote of the legislature to reduce County revenue. Also at risk was the Fill the Gap funding which represents several million dollars to Maricopa County.

Ms. Wilson recapped that there were a number of pressing issues, but not all of the requests can be funded. Maricopa County is fortunate to be fiscally stable as County departments have sufficient budgets. Ms. Wilson added that OMB might even request that the Board support some budget reductions. She stressed that all departments need to work together. Maricopa County will have a structurally sound, balanced budget.

Supervisor Wilcox asked for more information on the risk of delaying renovations of Court facilities. Ms. Wilson responded that in a meeting scheduled for later that day, OMB would ask the Facilities Department for an update on the issues related to the Court renovations.

Supervisor Wilson commented that this is a real life situation requiring real life decisions. Maricopa County will find ways to fund mandated services. Supervisor Brock added that advocates of splitting Maricopa County should attend Board meetings to become familiar with County issues and the spiraling

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costs of providing mandated services before they consider duplicating costs by adding another county. He expressed his thanks to OMB staff and all departments for their efforts on behalf of the County.

ACTION: PURCHASE OF EQUIPMENT – PUBLIC HEALTH

Item: Purchase of the following equipment:

Motion was made by Supervisor Wilcox, seconded by Supervisor Wilson, and unanimously carried (5-0) to approve the purchase of the following list of equipment:

- a. One Dell Power Ridge 2550 Server at \$8,835.72 to be used by the Department of Public Health's Tobacco Use Prevention Program. The purchase of this item is funded by a state grant and will not affect the County General Fund. (C8602127M) (ADM 2150-002)
- b. Seven Dell OptiPlex GX240 small mini-tower desk computers at \$1,328.64 each to be used by the Department of Public Health's Community Health Nursing Immunization Program. Total expenditure for these items, including tax, will be \$10,230.53. These new computers will replace existing equipment. The purchase of these items is funded by a state grant and will not affect the County General Fund. (C8602128M) (ADM 2150-002)
- c. Four Dell OptiPlex GX240 small mini-tower desk computers, at \$1,655.88 each, to be used by the Department of Public Health's Ryan White CARE Services administrative staff. The new computers will replace existing equipment. Total expenditure for these items, including tax, will be \$6,623.52. The purchase of these computers is funded by the federal Ryan White CARE Act and will not affect the County General Fund. (C8602129M) (ADM 2150-002)
- d. Two Dell OptiPlex GX240 small mini-tower desk computers with monitors at \$1,463.32 each; two Hewlett Packard LaserJet 2200DN printers at \$1,133.95 each; and one Dell Inspiron 2500 laptop computer at \$2,014 all to be used by the Department of Public Health's HIV Counseling and Testing Program. Total expenditure for these items, including tax, will be \$7,900.36. The purpose of these items is funded by a state grant and will not affect the County General Fund. (C8602131M) (ADM 2150-002)

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Don Stapley, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board